

# Department of Labor



## **JOB CORPS HELPFUL HINTS FOR ACCELERATED CLOSEOUT**

# COST REIMBURSEMENT TYPE CONTRACTS



**Cost Reimbursement types of contracts** provide for payment of allowable incurred costs, to the extent prescribed in the contract. These contracts establish an estimate of total cost for the purpose of obligating funds and establishing a cost ceiling that the contractor may not exceed without the approval of the contracting officer. Per FAR 42.705-1(b)(ii), Final rate proposals should be submitted no later than six (6) months after the end of your organizations fiscal year.

# PROVISIONAL INDIRECT COST RATE



**Provisional Indirect Cost Rate** is established temporarily for interim reimbursement of incurred indirect costs.

The contract is funded to support the approved provisional indirect cost rate or contract ceiling rate.

Failure to bill at the lower approved provisional rate or contract ceiling rate may result in a liability for either the Contractor or the Government.

The contractor should bill at the approved provisional indirect cost rate when there is no contract ceiling rate.

# FINAL INDIRECT COST RATE



**Final Indirect Cost Rates**  
provide for timely settlement of  
indirect costs under Cost  
Reimbursement Contracts.

Adjustment of indirect costs should  
take place at the time the final  
indirect cost rates are approved  
during contract performance for a  
Program Year.

There is no need to wait until the  
contract performance period has  
expired to adjust indirect costs having  
approved final indirect cost rates.

# INDIRECT RATE ADJUSTMENT



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graph LR; A["Indirect Rate Adjustment Cost should be the only cost on the final voucher, as all other costs should have been finalized before submitting the final voucher."] --- B["An 'Analysis of G & A and Direct Costs Billed by Calendar Year' should be submitted."]; A --- C["The 'Fiscal Year' and 'Total Billed' amounts should equal the 'Financial Base' amounts on the 'Indirect Cost Rate Sheet'."]; A --- D["The Financial Base amount is based on the definition in the Negotiated Agreement."]; A --- E["Prior Direct Costs should be settled and submitted before the final closeout voucher."];
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An “Analysis of G & A and Direct Costs Billed by Calendar Year” should be submitted.

The “Fiscal Year” and “Total Billed” amounts should equal the “Financial Base” amounts on the “Indirect Cost Rate Sheet”.

The Financial Base amount is based on the definition in the Negotiated Agreement.

**Indirect Rate Adjustment Cost** should be the only cost on the final voucher, as all other costs should have been finalized before submitting the final voucher.

**Prior Direct Costs** should be settled and submitted before the final closeout voucher.

# LIQUIDATED DAMAGES



**Liquidated Damages** cost should have been resolved and paid.

**Final  
Determination  
Notice** will be issued  
by the Government,  
per the Initial Notice.

Respond to **Initial  
Notice** of Liquidated  
Damages in a timely  
manner

# PERFORMANCE BASED SERVICE CONTRACTING and INCENTIVE FEE



**Performance Based Service Contracting (PBSC)/  
Incentive Fees** should have been processed within ninety days of the end of the Contract Year by the Contracting Officer's Representative with the Office of Finance Administration's assistance, if needed.

If the PBSC fees haven't been approved within ninety days, the Contracting Officer should be notified by the Contractor.

# GOVERNMENT PROPERTY

A large red semi-circular graphic element on the left side of the slide, composed of three concentric semi-circles. The outermost is a solid red arc, while the two inner ones are dashed white lines.

**Lost or damaged property** issues should be resolved prior to closeout.

**Replacement of lost property** completed prior to closeout or contractor transition.

**Contract Property Management System Inventory** should be completed prior to closeout, if the contract is not renewed.



# FORM 2110



**Final 2110** should be submitted with closeout package for Operations, Outreach and Admissions and Career Transitioning Services. It is used to verify the Financial Base for indirect costs calculations

# FINAL INVOICE

A large red pyramid with a dashed white outline, positioned on the left side of the slide. It serves as a background for the four text boxes.

**Final invoice** must separate Operation (OPS) costs from Construction Facility Rehabilitation and Acquisition (CRA) costs.

OPS and CRA are two independent costs pools and are treated separately.

If a refund is due on CRA or OPS, a refund check must be submitted for that cost pool. Do not subtract one cost pool from the other to arrive at a final voucher amount.

One Voucher each for OPS and CRA may be required for closeout.